

Program E: Commercial

Program Authorization: R.S. 3:76-77, 84, 216, 148, 202, 3652, 3655; R.S. 9:3401 et seq., 3865, 5164; R.S. 10:9 et seq., 501-508; R.S. 12:25, 32, 34-35, 104, 171, 202, 205; 236, 262-263, 304-305, 314.1, 316, 336, 469, 492, 1304-1310, 1339-1340, 1342, 1345-1353, 1345- 1353, 1355, 1360, 1363-1364; R.S. 13:3422, 3471-3475, 3479-3481, 3485, 5107; R.S. 51:213 et seq., 288, 294-295, 299-300, 1164; R.S. 36:745, 746; R.S. 37: 3490-3493; R.S. 49:227, 229-229.1; R.S. 14:325; R.S. 22:437, 439, 448, 493, 1268; R.S. 30:112; R.S. 39:911-913, 1111, 1118; R.S. 45: 2008; and LSA C.C.P. Article 1261-1262

PROGRAM DESCRIPTION

The mission of the Commercial Program is to provide for the timely and efficient certification and processing of documents submitted for the purpose of securing and retaining business entities, other related business filings required by law to be filed with the Secretary of State, business licensing information to the business community of the state, and the legal services required by law to be processed by the Secretary of the State, and make readily available information concerning these business entities to the financial and legal community. Specifically, the Commercial Program provides the following services: (1) The registration of a state trademark, the registration of partnerships, the registration of an athlete agent, the review of certificate of authority applications of foreign corporations qualifying to do business in Louisiana; (2) Coordinate and manage the processing of Uniform Commercial Code (UCC) filings (and related liens) that are presented to any of the 64 parish clerks of court; (3) Provide services through the First Stop Shop where the business community and individuals seeking to establish or expand a business can obtain information on the various licenses required by state and local governments; (4) Provide direct computer access to corporate filings; (5) Act as agent for service of process on some foreign corporations and all foreign insurance companies and for out-of-state motorists involved in suits stemming from automobile accidents on Louisiana highways. The goal of this program is to maximize the efficiency of document processing and information services and ensure compliance with the laws governing the programs of the division at the lowest possible cost to the taxpayers. This program has one activity, Administrative.

OBJECTIVES AND PERFORMANCE INDICATORS

Unless otherwise indicated, all objectives are to be accomplished during or by the end of FY 2000-2001. Performance indicators are made up of two parts: name and value. The indicator name describes what is being measured. The indicator value is the numeric value or level achieved within a given measurement period. For budgeting purposes, performance indicator values are shown for the prior fiscal year, the current fiscal year, and alternative funding scenarios (continuation budget level and Executive Budget recommendation level) for the ensuing fiscal year (the fiscal year of the budget document).

The objectives and performance indicators that appear below are associated with program funding in the Base Executive Budget for FY 2000-01. Specific information on program funding is presented in the financial sections that follow performance tables.

1. (KEY) To maintain an efficient filing system by continuing a low document filer error rate of 8% of documents.

Strategic Link: Strategic Goal 1: To maximize the efficiency of document processing and information services.

Explanatory Note: Documents submitted to the program for filing are returned to the submitter (filer) if there is error in the document.

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
K	Percentage of documents returned	10%	10%	8%	8%	8%	8%
S	Number of documents returned	Not Applicable ¹	16,439	18,136 ¹	18,136 ^{1,2}	11,900	11,900

¹ This indicator was not adopted as a standard in the year indicated.

² The program now estimates this figure to be approximately 12,000.

2. (KEY) To continue a 99% accuracy rate in data entry in Uniform Commercial Code (UCC) and Farm Products filings.

Strategic Link: Strategic Goal 1: To maximize the efficiency of document processing and information services.

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
K	Percentage accuracy in data entry of UCC and Farm Product filings	99%	98%	99%	99%	99%	97%
S	Number of filings	420,000	165,431	182,000	182,000	169,000	169,000

3. (KEY) To process 100% of all lawsuits served on the Secretary of State within 24 hours of receipt.

Strategic Link: Strategic Goal 2: To ensure compliance with the laws governing the program at the lowest possible cost to taxpayers.

Explanatory Note: The Secretary of State acts as agent for the service of process for some foreign corporations, all foreign insurance companies and all out-of-state motorists and marine vessel owners involved in accidents in Louisiana.

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
K	Percentage of lawsuits processed within 24 hours of receipt	100%	100%	100%	100%	100%	100%
S	Service of process filings (lawsuits filed)	35,000	38,180	38,000	38,000	36,500	36,500

RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 1998-1999	ACT 10 1999- 2000	EXISTING 1999- 2000	CONTINUATION 2000 - 2001	RECOMMENDED 2000 - 2001	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$0	\$0	\$0	\$0	\$0	\$0
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	0	0
Fees & Self-gen. Revenues	2,183,209	2,566,537	2,566,537	2,617,051	2,513,874	(52,663)
Statutory Dedications	0	0	0	0	0	0
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
TOTAL MEANS OF FINANCING	\$2,183,209	\$2,566,537	\$2,566,537	\$2,617,051	\$2,513,874	(52,663)
EXPENDITURES & REQUEST:						
Salaries	\$1,354,435	\$1,551,321	\$1,551,321	\$1,531,095	\$1,597,930	\$46,609
Other Compensation	22,279	56,500	56,500	56,500	16,500	(40,000)
Related Benefits	232,466	281,196	281,196	278,358	288,710	7,514
Total Operating Expenses	555,405	642,720	642,720	689,020	610,734	(31,986)
Professional Services	0	0	0	0	0	0
Total Other Charges	0	0	0	0	0	0
Total Acq. & Major Repairs	18,624	34,800	34,800	62,078	0	(34,800)
TOTAL EXPENDITURES AND REQUEST	\$2,183,209	\$2,566,537	\$2,566,537	\$2,617,051	\$2,513,874	(52,663)
AUTHORIZED FULL-TIME						
EQUIVALENTS: Classified	52	52	52	52	52	0
Unclassified	2	2	2	2	2	0
TOTAL	54	54	54	54	54	0

SOURCE OF FUNDING

This program is funded with Fees and Self-generated Revenues. The Fees and Self-generated Revenues are derived from the following: (1) a \$60 filing fee relative to domestic corporations; (2) a \$100 filing fee relative to foreign corporations; (3) a \$25 filing fee for annual reports relative to domestic and foreign corporations; and (4) charges for other services such as registering trademarks and partnerships, providing certificates of good standing, and providing copies and certified copies of any requested document.

ANALYSIS OF RECOMMENDATION

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$0	\$2,566,537	54	ACT 10 FISCAL YEAR 1999-2000
			BA-7 TRANSACTIONS:
\$0	\$0	0	None
\$0	\$2,566,537	54	EXISTING OPERATING BUDGET – December 3, 1999
\$0	\$10,307	0	Annualization of FY 1999-2000 Classified State Employees Merit Increase
\$0	\$24,118	0	Classified State Employees Merit Increases for FY 2000-2001
\$0	\$62,078	0	Acquisitions & Major Repairs
\$0	(\$34,800)	0	Non-Recurring Acquisitions & Major Repairs
\$0	\$105,511	0	Salary Base Adjustment
\$0	(\$32,611)	0	Attrition Adjustment
\$0	(\$64,388)	0	Adjustments for 27th Payroll
\$0	\$39,800	0	Other Adjustments - Additional operating expenses for the Printing of the Central Registry, and other sections of the Uniform Commercial Code
\$0	(\$162,678)	0	Other Adjustments - Reductions of funding in Operating Expenses and Acquisitions to proper levels
\$0	\$2,513,874	54	TOTAL RECOMMENDED
\$0	\$0	0	LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS
\$0	\$2,513,874	54	BASE EXECUTIVE BUDGET FISCAL YEAR 2000-2001
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL

			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE
\$0	\$2,513,874	54	GRAND TOTAL RECOMMENDED

The total means of financing for this program is recommended at 97.9% of the existing operating budget. It represents 89.3% of the total request (\$2,816,482 for this program. At the recommended level of funding, this Program should provide approximately the same level of service.

PROFESSIONAL SERVICES

This Program does not have funding for Professional Services for Fiscal Year 2000-2001.

OTHER CHARGES

This Program does not have funding for Other Charges for Fiscal Year 2000-2001.

ACQUISITIONS AND MAJOR REPAIRS

This Program does not have funding for Acquisitions and Major Repairs for Fiscal Year 2000-2001.